

RECEIVED

2005 JAN 28 PM 2:16

T.R.A. DOCKET ROOM



City of Chattanooga

Randall L. Nelson
City Attorney

OFFICE OF THE CITY ATTORNEY
801 BROAD STREET, SUITE 400

Chattanooga, Tennessee 37402

AREA CODE (423) 757-5338

FAX: (423) 756-0737

Michael A. McMahan
Phillip A. Noblett
Kenneth O. Fritz
Ann Shaffer
D. Marty Lasley
Jennifer T. Flowers
Special Counsel

January 28, 2005

Ms. Jean Stone
Hearing Officer
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

*Re: Proposed Settlement of Tennessee American Water Company,
Docket No. 04-00288*

Dear Ms. Stone:

This letter is to advise you that the City of Chattanooga is willing to join in the Proposed Settlement Agreement between the Consumer Advocate Division and the Tennessee American Water Company. We understand that the Chattanooga Manufacturer's Association has some difference with respect to rate design, and the City is sympathetic to CMA's proposal. In the final analysis, however, we are willing to agree to either the CMA rate design proposed changes or a rate structure that provides an across the board increase.

Sincerely,

MICHAEL A. McMAHAN

MAM/ spb

cc: All parties of record

**OFFICE OF THE CITY ATTORNEY
CITY OF CHATTANOOGA, TENNESSEE**

**Suite 400, Pioneer Bank Building
Chattanooga, Tennessee 37402-2674
Telephone (423) 757-5338
Facsimile (423) 756-0737**

FACSIMILE COVER SHEET

DATE: January 28, 2005

NUMBER OF PAGES: 2
(Including Cover Sheet)

TO: Jean Stone, Hearing Officer
Tennessee Regulatory Authority

FAX NO: (615) 741-5015:

FROM: Michael A. McMahan/ Shannon Payne-Bielcik

MESSAGE: Letter from Michael McMahan to Jean Stone
re: TAWC Proposed Settlement.

CONFIDENTIALITY NOTICE: The contents of this telefacsimile are legally privileged and confidential, and intended only for the use of the individual(s) and/or entity(ies) named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, disclosure, copying or distribution of the contents of this telefacsimile is strictly prohibited. Review by any individual other than the intended recipient shall not constitute waiver of the attorney-client privilege, the attorney work-product doctrine, any evidentiary privilege, or any proprietary rights in the information. If you have received this telefacsimile in error, please immediately notify us by telephone and return the original telefacsimile to us at the above address via the United States Postal Service. Thank you

**IF YOU HAVE ANY PROBLEMS RECEIVING THIS MESSAGE,
PLEASE CALL (423) 757-5338**